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December 19, 2005

Chairman Paul G. Afonso
Commissioner James Connelly
Commissioner W. Robert Keating
Commissioner Judith F. Judson
Commissioner Brian Paul Golden
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: NSTAR Electric, D.T.E. 05-84

Dear Commissioners:

I am asking the Department of Telecommunications and Energy to take immediate action to curb the unreasonable dealings of certain retail competitive suppliers who are unfairly manipulating the rules of the state's basic/default Service system. The actions of these companies are driving prices of electric power for business customers to unreasonable levels.

On November 21, 2005, Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a NSTAR Electric, filed a proposal with the department to revise the terms for commercial and industrial basic/default service. NSTAR Electric is making this filing to address the load volatility that the companies have experienced over the last several months. Certain retail competitive suppliers are switching large commercial and industrial customers on and off basic/default service multiple times within a short period, all in an effort to take advantage of price fluctuations in the retail generation market.

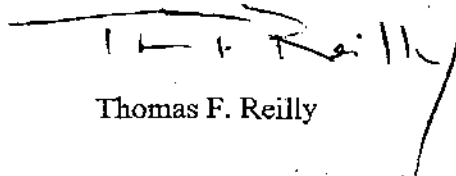
These "gaming" practices by retail competitive suppliers have resulted in the formation of obstacles in the wholesale generation market that limit opportunities for the NSTAR Electric to receive the lowest-priced bids for wholesale generation services, or inhibit bidding altogether. This practice has resulted in increased basic/default service prices for those other, smaller, commercial and industrial customers unable to take advantage of multiple switching.

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Pursuant to the department's request for comments on the filing, I am filing this letter in support NSTAR Electric's proposal to revise their Terms and Conditions in order to limit opportunities for "gaming" by prohibiting customer switching by competitive suppliers. Customers switched from competitive supply to basic/default service should not be allowed return to the same retail competitive supplier that previously served them for a period of six months in order to reduce price volatility. These customers are free, however, to switch to another competitive supplier. The department must protect business customers from unfair manipulation of the system, while at the same time maintaining the rights of all customers to choose to be served by retail competitive suppliers.

I ask the Department to give NSTAR Electric's filing expedited treatment so that it can be in effect for the companies' next scheduled request for proposals for default service supply for large commercial and industrial customers. Accordingly, the department should review and approve the companies' revised terms and conditions by January 11, 2006.

Sincerely,


Thomas F. Reilly

cc: Mary L. Cottrell, Secretary